

FORM MR-AR (Revised 12/2010)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple - Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940

LARGE MINING OPERATIONS PROGRESS REPORT
January 1, 20 10 to December 31, 20 10

The information required in this form is based on provisions of the Mined Land Reclamation Act, Title 40-8, and the R647 rules under the Utah Minerals Regulatory Program.

1. Mine Permit Number: M 023 0080
2. Mine Name: Dragon mine
3. Name of Operator/Permittee: Applied Minerals Inc.

Note: If Operator's address, company representative or phone number have changed, please provide a replacement page for the Notice of Intention together with form MR-REV available on the Division's web page at https://fs.ogm.utah.gov/pub/mines/minerals_related/forms/MR-REV.pdf.

4. Report the gross amount of ore mined and waste moved:

Gross Ore Mined _____ Tons, or _____ yd³
Waste Material Moved _____ Tons, or _____ yd³

5. Disturbance at the end of 2009 _____ Acres
New Disturbance Created during 2010 _____ Acres
Area Reclaimed and Fully Released during 2010 _____ Acres
Total Disturbed Area at the end of 2010 _____ Acres*
Permitted/Bonded Acreage _____ Acres

447 tons
clay like material
shipped for
testing

*The total disturbed area should not be greater than the permitted/bonded acreage

6. Briefly describe the reclamation work performed during the past year. (Submit form MR-SITE (https://fs.ogm.utah.gov/pub/mines/minerals_related/forms/MR-SITE.pdf) to apply for full or partial bond/site release). Attach additional sheets if needed.

N/A.

7. For large mines, include an updated map depicting surface disturbance and reclamation performed during the year (Rule R647-4-105).

I hereby certify, under penalties of law, the information provided in this report is true and correct to the best of my knowledge and belief.

Name (Typed or Print): Maureen Prokopiw
Title of Operator: office manager
Signature of Operator: M Prokopiw
Date: 02-17-11

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FEB 22 2011

DIV. OF OIL, GAS & MINING

APPLIED MINERALS, INC.

P.O. Box 968, Osburn, Idaho 83849
Telephone (208) 556-1181 • Facsimile (208) 556-6741

Fax

To:

From: Maurcen.

Fax:

Pages: 2

Phone:

Date: 02-17-11

Re: large mine report.

CC:

☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

• Comments:

The mine site in Utah continued to do exploratory work in 2010. Large quantities of material were shipped to a processing plant ~~to~~ in another state.

Please call if you need additional information.
Maurcen.

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FEB 22 2011

DIV. OF OIL, GAS & MINING